

Calendar No. 1271

77TH CONGRESS }
2d Session }

SENATE

{ REPORT
No. 1232

APPROVING ACT NO. 70 OF THE SPECIAL SESSION LAWS OF HAWAII, 1941, REDUCING THE RATE OF INTEREST ON LOANS AND PRO- VIDING FOR THE REAMORTIZATION OF INDEBTEDNESS TO THE FARM LOAN BOARD

MARCH 31 (legislative day, MARCH 30), 1942.—Ordered to be printed

Mr. TYDINGS, from the Committee on Territories and Insular Affairs,
submitted the following

REPORT

[To accompany H. R. 6166]

The Committee on Territories and Insular Affairs, to whom was referred the bill (H. R. 6166) to approve Act No. 70 of the Special Session Laws of Hawaii, 1941, reducing the rate of interest on loans and providing for the reamortization of indebtedness to the Farm Loan Board, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the bill is stated in the House report which is as follows:

The Committee on the Territories, to whom was referred the bill (H. R. 6166) to approve act No. 70 of the Special Session Laws of Hawaii, 1941, reducing the rate of interest on loans and providing for the reamortization of indebtedness to the Farm Loan Board, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The Department of the Interior has recommended favorable consideration of this legislation, and the Bureau of the Budget advises there is no objection to it. The letter from the Secretary of the Interior is incorporated as a part of this report as it explains the purpose and effect of the bill.

THE SECRETARY OF THE INTERIOR,
Washington, February 4, 1942.

HON. LEX GREEN,
*Chairman, Committee on the Territories,
House of Representatives.*

MY DEAR MR. GREEN: In your letter of January 8, the views of this Department are requested with respect to H. R. 6166, a bill to approve Act No. 70 of the Special Session Laws of Hawaii, 1941, reducing the rate of interest on loans and providing for the reamortization of indebtedness to the Farm Loan Board.

The purpose of the said Act 70 of the Territorial legislature appears to be to grant relief to farmers who are indebted to the Farm Loan Board of the Territory. In general, the act provides for (1) the retroactive reduction of interest, from 5 percent to 3 percent per annum, on all outstanding Farm Board loans; and (2)

the reamortization, upon application by the debtor, of the recomputed amount of principal and interest remaining unpaid in 15 equal biennial installments, together with interest at 3 percent per annum, payable semiannually.

The said Act 70 is similar in many respects to the act of Congress of June 12, 1940 (54 Stat. 345), which provides for the reamortization of the indebtedness of homesteaders to the Territory of Hawaii under their homestead agreements. However, the attorney general of Hawaii has ruled in a recent opinion that Act 70 is invalid under the organic act of the Territory. The approval by Congress of Act 70 as provided in H. R. 6616, would remove any question as to its validity under the organic act. It is accordingly recommended that the bill receive the favorable consideration of your committee.

The Director of the Bureau of the Budget has advised that there would be no objection to the submission of this report to your committee.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.



MAINTAIN LEGISLATIVE COPY, MARION 30, 1942. Ordered to be printed

Mr. Tamm, from the Committee on Territories and Insular Affairs,
submitted the following

REPORT

To accompany H. R. 6616

The Committee on Territories and Insular Affairs, to whom was referred the bill (H. R. 6616) to approve Act No. 70 of the session of 1941, relating to the reamortization of indebtedness to the United States, having considered the same, report favorably thereon, and propose that the bill do pass.

The purpose of the bill is stated in the House report which is as follows:

The Committee on the Territories, to whom was referred the bill (H. R. 6616) to approve Act No. 70 of the session of 1941, relating to the reamortization of indebtedness to the United States, having considered the same, report favorably thereon, and propose that the bill do pass.

The Secretary of the Interior, in his report, has recommended that the bill do pass.

The Committee on Territories and Insular Affairs, to whom was referred the bill (H. R. 6616) to approve Act No. 70 of the session of 1941, relating to the reamortization of indebtedness to the United States, having considered the same, report favorably thereon, and propose that the bill do pass.

The Committee on Territories and Insular Affairs, to whom was referred the bill (H. R. 6616) to approve Act No. 70 of the session of 1941, relating to the reamortization of indebtedness to the United States, having considered the same, report favorably thereon, and propose that the bill do pass.